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FROM AIT WASHINGTON, D.C.

E.O. 12356: N/A
TAGS: JA, ENRG
SUBJECT: U.S. JAPAN NUCLEAR COOPERATION AGREEMENT

ASSISTANT SECRETARY SIGUR AND AMBASSADOR KENNEDY REQUEST
THAT THE TEXT OF THE LETTER FROM THE PRESIDENT TO THE
CHAIRMAN OF THE SENATE FOREIGN RELATIONS COMMITTEE SIGNED
JANUARY 29 REGARDING THE U.S. JAPAN NUCLEAR COOPERATION
AGREEMENT BE PASSED TO SENATOR MURKOWSKI.

BEGIN TEXT:

DEAR MR, CHAIRMAN:

I AM WRITING IN RESPONSE TO THE COMMITTEE'S LETTER OF
DECEMBER 17 CONCERNING THE PROPOSED AGREEMENT OF
COOPERATION BETWEEN THE UNITED STATES AND JAPAN
CONCERNING THE PEACEFUL USES OF NUCLEAR ENERGY THAT I
SUBMITTED TO THE CONGRESS FOR ITS REVIEW ON NOVEMBER 9.

IN MY LETTER OF TRANSMITTAL I STATED THAT THE PROPOSED
AGREEMENT MEETS ALL APPLICABLE REQUIREMENTS OF THE ATOMIC
ENERGY ACT FOR PEACEFUL NUCLEAR COOPERATION, FOR THIS
REASON I SUBMITTED IT TO THE CONGRESS WITHOUT EXEMPTING
IT FROM ANY REQUIREMENT CONTAINED IN SECTION 123A, OF
THAT ACT,

UPON RECEIPT OF THE COMMITTEE'S LETTER ADVISING ME OF THE
COMMITTEE'S VIEW THAT THE AGREEMENT IS NOT CONSISTENT
WITH SECTION 123 OF THE ATOMIC ENERGY ACT, AND
RECOMMENDING THAT IT EITHER BE RENEGOTIATED OR
RESUBMITTED WITH AN EXEMPTION, I DIRECTED THE LEGAL
OFFICES OF THE RESPONSIBLE EXECUTIVE BRANCH AGENCIES TO
EXAMINE THOROUGHLY THE COMMITTEE'S VIEWS AND CONCERNS.
THESE AGENCIES HAVE NOW COMPLETED THEIR REVIEW AND HAVE
ADVISED ME OF THEIR UNANIMOUS CONCLUSION THAT THE
PROPOSED AGREEMENT MEETS THE STATUTORY REQUIREMENTS. I
AM ENCLOSING FOR YOUR INFORMATION AN INTERAGENCY PAPER
ANALYZING THE LEGAL ISSUES AND SETTING FORTH THE BASIS
FOR THIS CONCLUSION,

PRIOR TO SUBMITTING THE PROPOSED AGREEMENT TO THE
CONGRESS, I DETERMINED THAT ITS PERFORMANCE WOULD PROMOTE
AND NOT BE INIMICAL TO THE COMMON DEFENSE AND SECURITY,
I CONTINUE TO BELIEVE THAT TO BE THE CASE,

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I UNDERSTAND THAT SOME MEMBERS OF THE CONGRESS MAY HAVE ADDITIONAL CONCERNS THAT INTERNATIONAL TRANSPORT OF PLUTONIUM PURSUANT TO THE PROPOSED AGREEMENT COULD HAVE AN ADVERSE IMPACT ON THE U.S. ENVIRONMENT, OR THAT THE AGREEMENT WOULD DECREASE THE ABILITY OF THE CONGRESS TO MONITOR U.S. NUCLEAR COOPERATION WITH JAPAN,

I WOULD LIKE TO ASSURE THE COMMITTEE THAT THE PROPOSED AGREEMENT NEITHER REQUIRES NOR AUTHORIZES JAPAN TO TRANSPORT PLUTONIUM OVER OR THROUGH U.S. TERRITORY. ANY DECISION ON A PARTICULAR TRANSPORT ROUTE WILL BE MADE LATER, WHEN A TRANSPORTATION PLAN, WHICH THE AGREEMENT REQUIRES PRIOR TO EACH SHIPMENT, IS PREPARED. THE UNITED STATES MUST BE A WILLING PARTICIPANT IN EACH SUCH PLAN; WITHOUT U.S. PARTICIPATION, NO TRANSPORTATION OF PLUTONIUM INVOLVING U.S. TERRITORY WILL BE POSSIBLE.

THE AGREEMENT CONTEMPLATED THAT A POLAR ROUTE (NOT NECESSARILY PASSING OVER THE ALASKAN MAINLAND) USING A DEDICATED CARGO AIRCRAFT WOULD HAVE OBVIOUS ADVANTAGES FROM A SAFETY AND PHYSICAL PROTECTION STANDPOINT. NEVERTHELESS, I HAVE ASKED THE DEPARTMENT OF DEFENSE TO STUDY THE FEASIBILITY OF A NUMBER OF ALTERNATIVE TRANSPORTATION MODES, INCLUDING MILITARY AIRLIFT AND SEA TRANSPORT, AS WELL AS ALTERNATIVE ROUTES, BASED ON ITS PRELIMINARY ANALYSIS, THE DEPARTMENT OF DEFENSE HAS DETERMINED THAT THERE ARE POSSIBLE ROUTES UTILIZING U.S.

MILITARY FACILITIES IN THE ALEUTIANS FOR REFUELING THAT WOULD NOT REQUIRE OVERFLIGHTS OF MAINLAND ALASKA, CANADA, OR ANY OTHER COUNTRY BETWEEN THE COUNTRY OF ORIGIN AND JAPAN, WITH REGARD TO SHIPMENT BY SEA, ITS REVIEW HAS DETERMINED THAT CIVILIAN SHIPMENT, GIVEN A MILITARY ESCORT, WOULD PROVIDE A LEVEL OF PHYSICAL SECURITY EQUIVALENT TO THAT AFFORDED BY CIVILIAN AIR TRANSPORT WITH GROUND REFUELING OR CIVILIAN AIR TRANSPORT WITH MIDAIR REFUELING. IT IS RECOGNIZED, OF COURSE, IF A U.S. MILITARY ESCORT IS USED, THERE COULD BE ADDED COSTS AND A DETRACTION FROM READINESS. THE RESULTS OF THIS STUDY WILL BE MADE AVAILABLE TO THE CONGRESS,

AS THE COMMITTEE IS AWARE, THE DEPARTMENT OF ENERGY HAS PREPARED AND MADE PUBLIC AN ENVIRONMENTAL ASSESSMENT, TAKING ACCOUNT OF THE NATIONAL ENVIRONMENTAL POLICY ACT (NEPA), CONCERNING THE POTENTIAL FOR ENVIRONMENTAL IMPACTS ARISING FROM POSSIBLE AIR TRANSPORT UNDER THE AGREEMENT AND THE ASSOCIATED "SUBSEQUENT ARRANGEMENT" WITH THE EUROPEAN ATOMIC ENERGY COMMUNITY, BASED ON THE RESULTS OF THIS ENVIRONMENTAL ASSESSMENT, AND IN VIEW OF THE FACT THAT NO SUCH SHIPMENTS COULD TRANSMIT THE UNITED STATES EXCEPT IN CASKS CERTIFIED BY THE NUCLEAR REGULATORY COMMISSION TO BE SECURE EVEN IN SEVERE ACCIDENTS, THE DEPARTMENTS OF ENERGY AND STATE HAVE EACH MADE FINDINGS THAT THE AGREEMENT WOULD NOT HAVE A SIGNIFICANT ENVIRONMENTAL IMPACT, NEVERTHELESS, THE EXECUTIVE BRANCH WILL UNDERTAKE ADDITIONAL ENVIRONMENTAL REVIEW IN CONNECTION WITH LATER STAGES IN THE PROCESS LEADING TO ACTUAL PLUTONIUM SHIPMENT, SPECIFICALLY, EXECUTIVE BRANCH AGENCIES THAT ARE TO PROVIDE COOPERATION OR ASSISTANCE IN PLUTONIUM TRANSPORTATION ACTIVITIES UNDER ANY TRANSPORTATION PLAN ESTABLISHED PURSUANT TO THE AGREEMENT WILL ENSURE THAT SUCH COOPERATION OR ASSISTANCE IS UNDERTAKEN IN FULL COMPLIANCE WITH NEPA AND WITH THE MURKOWSKI AMENDMENT. IN ADDITION, WE ARE PREPARED TO ASSIST THE NUCLEAR REGULATORY COMMISSION IN THE PREPARATION OF ANY ENVIRONMENTAL IMPACT STATEMENT IT MAY PREPARE PURSUANT TO THE MURKOWSKI AMENDMENT IN CONNECTION WITH THE CERTIFICATION OF A PLUTONIUM TRANSPORT CASK.

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AS FOR FUTURE CONGRESSIONAL OVERSIGHT, THE PROPOSED AGREEMENT REQUIRES JAPAN TO PROVIDE US WITH A COMPLETE, DETAILED ACCOUNTING OF ITS ACTIVITIES UNDER THE AGREEMENT, I WILL ENSURE THAT EXECUTIVE BRANCH AGENCIES IN TURN KEEP THE CONGRESS FULLY AND CURRENTLY INFORMED OF THESE ACTIVITIES,

I APPRECIATE THE SERIOUS NATURE OF THE COMMITTEE'S

CONCERNS, I AM CONVINCED, HOWEVER, A THAT CLOSE READING OF THE PROPOSED AGREEMENT WILL SERVE TO PUT ANY LEGAL OR NATIONAL SECURITY CONCERNS TO REST, AND THAT OTHER CONCERNS CAN BE RESOLVED BY STEPS THAT WILL NOT REQUIRE CHANGES IN THE AGREEMENT ITSELF,

I HAVE DECLARED MANY TIMES THAT NUCLEAR NON-PROLIFERATION IS A FUNDAMENTAL NATIONAL SECURITY AND FOREIGN POLICY GOAL OF THE UNITED STATES, THE PROPOSED AGREEMENT WITH JAPAN SUBSTANTIALLY IMPROVES U.S. NON-PROLIFERATION CONTROLS AS COMPARED WITH THOSE IN THE EXISTING AGREEMENT, INDEED, IT SETS A NEW STANDARD FOR RIGOROUS NON-PROLIFERATION CONDITIONS AND CONTROLS IN U.S. AGREEMENTS FOR COOPERATION, AT THE SAME TIME, BY AFFIRMING THE U.S. INTENTION TO BE A RELIABLE NUCLEAR TRADING PARTNER UNDER THESE ENHANCED CONDITIONS AND CONTROLS, IT WILL HELP TO ENSURE THE CONTINUATION AND GROWTH OF U.S. NUCLEAR EXPORTS TO JAPAN -- EXPORTS THAT COULD AMOUNT TO 1 BILLION DOLLARS OR MORE EACH YEAR IN THE COMING DECADE,

I BELIEVE THAT THIS AGREEMENT IS CRITICAL TO THE U.S. NATIONAL INTEREST, AND I AGAIN URGE THAT THE CONGRESS GIVE IT FAVORABLE CONSIDERATION,

SINCERELY,

RONALD REAGAN

THE HONORABLE CLAIBORNE PELL
CHAIRMAN
COMMITTEE ON FOREIGN RELATIONS
UNITED STATES SENATE
WASHINGTON, D.C. 20510

END TEXT

SIGNED LUX, SHULTZ

END OF MESSAGE

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